

## **Part 2**

### **Authorization Required to Conduct Business**

#### **7-18a-201 Authorization required to transact business as a foreign depository institution agency, branch, or representative office.**

- (1) It is unlawful for a foreign depository institution to transact business in this state unless it transacts business through an agency, branch, or representative office authorized by the department or an agency of the federal government.
- (2) Notwithstanding Subsection (1), a foreign depository institution that is not authorized to transact business through an agency, branch, or representative office in this state may make or enforce loans made in this state secured by liens on real or personal property located in this state.
- (3) A foreign depository institution authorized to transact business through an agency, branch, or representative office in this state may transact business as an agent for an affiliated depository institution in accordance with Section 7-1-716.
- (4) For purposes of Subsection (1), a foreign depository institution is not considered to be transacting business in this state solely because a subsidiary or affiliate transacts business in this state, including business that any depository institution subsidiary or affiliate may lawfully conduct in this state as an agent for the foreign depository institution in accordance with the laws of this state.

Enacted by Chapter 63, 1996 General Session

#### **7-18a-202 Application and fee to establish, relocate, or discontinue a foreign depository institution agency, branch, or representative office -- Certificate of authority.**

- (1) To obtain a certificate of authority to transact business through an agency, branch, or representative office in this state, a foreign depository institution shall:
  - (a) comply with Section 7-1-708;
  - (b) provide a copy and an accurate English translation of the foreign depository institution's articles of incorporation, or equivalent, that evidences authority to transact business as a depository institution;
  - (c) provide satisfactory evidence that the foreign depository institution has complied with the laws of the chartering country authorizing the foreign depository institution to engage in the business of a depository institution;
  - (d) irrevocably designate the commissioner as the foreign depository institution's agent for service of process;
  - (e) provide a written certificate of designation that specifies the name and address of the person to whom the commissioner shall forward any process that has been served; and
  - (f) pay to the department a filing fee as required by Subsection 7-1-401(6).
- (2) The written certificate of designation, required in Subsection (1)(e) may be changed from time to time by filing a new certificate of designation.
- (3) To obtain authorization to relocate an authorized agency, branch, or representative office in this state, a foreign depository institution shall comply with Section 7-1-708.
- (4)
  - (a) To obtain authorization to discontinue an agency, branch, or representative office in this state, a foreign depository institution shall comply with Section 7-1-709.
  - (b) Upon notice of authorization to discontinue an agency, branch, or representative office and the satisfaction of all conditions precedent to discontinuance, the foreign depository

institution may close the agency, branch, or representative office and promptly surrender to the commissioner the certificate of authority.

- (5) If the commissioner authorizes a foreign depository institution to transact business through an agency, branch, or representative office in this state, the commissioner shall issue a certificate of authority that states:
  - (a) fully the name of the foreign depository institution to which the certificate of authority is issued;
  - (b) the address at which the agency, branch, or representative office of the foreign depository institution is to be located;
  - (c) the authority granted to the foreign depository institution;
  - (d) the effective and expiration dates of the certificate of authority; and
  - (e) any other information required by the commissioner.
- (6) Each foreign depository institution agency, branch, or representative office shall display the certificate of authority issued by the commissioner in a conspicuous place at the place of business specified in the certificate.
- (7) A certificate of authority is neither transferable nor assignable.

Enacted by Chapter 63, 1996 General Session

**7-18a-203 No concurrent maintenance of agencies or branches.**

- (1) A foreign depository institution authorized under this chapter to transact business through an agency or branch may not concurrently transact business in this state through an agency or branch authorized under federal law.
- (2) A foreign depository institution authorized under federal law to transact business through an agency or branch in this state may not concurrently transact business through an agency or branch authorized under this chapter.
- (3) A foreign depository institution authorized to transact business through an agency may not concurrently transact business through a branch in this state.
- (4) A foreign depository institution authorized to transact business through a branch may not concurrently transact business through an agency in this state.
- (5) Subsections (1) through (4) do not prohibit a foreign depository institution authorized to transact business through an agency or branch in this state from transacting business through a representative office.

Enacted by Chapter 63, 1996 General Session

**7-18a-204 Filing of amendments to articles of incorporation.**

- (1) If a foreign depository institution authorized by this state to transact business in this state through an agency, branch, or representative office amends its articles of incorporation, the institution shall file with the department a copy and an accurate English translation of the amendment authenticated by the appropriate officer of the chartering country.
- (2) Without obtaining an amended certificate of authority under Section 7-18a-205, the filing of the amendment may not:
  - (a) enlarge or alter the purpose for which the foreign depository institution is authorized to transact business in this state;
  - (b) authorize the foreign depository institution to transact business in this state under any name other than the name set forth in the certificate of authority issued by the department; or
  - (c) extend the duration of the foreign depository institution's corporate existence.

Enacted by Chapter 63, 1996 General Session

**7-18a-205 Amended certificate of authority to establish an agency, branch, or representative office.**

- (1) A foreign depository institution authorized by this state to transact business in this state through an agency, branch, or representative office shall secure an amended certificate of authority if it:
  - (a) changes its corporate name;
  - (b) changes the duration of its corporate existence; or
  - (c) desires to expand or contract the purposes set forth in the foreign depository institution's prior application for certificate of authority.
- (2) An application for an amended certificate of authority shall be filed with the department in a form prescribed by the commissioner.

Enacted by Chapter 63, 1996 General Session

**7-18a-206 Change of control of foreign depository institution.**

A foreign depository institution authorized by this state to transact business through an agency, branch, or representative office in this state shall file with the commissioner a notice, in such form and containing such information as the commissioner may prescribe, no later than 14 days after the change of control of the foreign depository institution.

Enacted by Chapter 63, 1996 General Session

**7-18a-207 Annual renewal of certificate of authority.**

- (1) A foreign depository institution may renew a certificate of authority, issued under Section 7-18a-202, to transact business in this state through an agency, branch, or representative office in a form prescribed by the commissioner.
- (2) The application for renewal shall be submitted to the department no later than 60 days before the expiration of the certificate of authority.
- (3) The certificate of authority may be renewed by the commissioner upon a determination, with or without examination, that the foreign depository institution:
  - (a) is in a safe and sound condition; and
  - (b) has complied with applicable provisions of the law.
- (4) An application for renewal of certificate of authority shall be accompanied by the annual fee required by Subsection 7-1-401(5).

Amended by Chapter 260, 2000 General Session